
OLR Bill Analysis

sSB 1256

AN ACT CONCERNING THE ORGANIZATION, ADMINISTRATION AND RECEIVERSHIP OF CERTAIN FINANCIAL INSTITUTIONS.

SUMMARY

This bill makes several changes that affect the applications and operations of different types of banks. Specifically, it:

1. increases from \$15,000 to \$20,000 the application fee to organize a Connecticut bank (by law, this fee explicitly applies to the conditional preliminary approval for an expedited bank, but an organization of an interim Connecticut bank is exempt) (§ 1);
2. increases from \$1 million to \$1.5 million the amount of deposit assets that trust banks and innovation banks must keep (§ 2);
3. exempts innovation banks from one of several existing (a) factors for assessing whether an application to organize a Connecticut bank serves the public interest (i.e. the population of the area to be served) and (b) considerations for approving a Connecticut bank's main office relocation (i.e. the public's convenience and need for the proposed relocation) (§§ 2 & 3);
4. decreases from 30 to 15 days the period allotted for submitting written objections to a proposed name change of a capital stock Connecticut bank, mutual savings bank, or mutual savings and loan association after its application to do so has been published (§ 4); and
5. requires receivers, when liquidating an innovation bank, to consider the innovation bank's credit conditions instead of the credit conditions in the locality of the innovation bank (§ 5).

The bill also makes conforming and technical changes, including

removing obsolete language.

EFFECTIVE DATE: July 1, 2025

COMMITTEE ACTION

Banking Committee

Joint Favorable Substitute

Yea 13 Nay 0 (03/11/2025)